

file DOE/047/017
CC: Dianne
Ran D.
Wayne
Tam T.

Wasatch Tar Sands

WASATCH TAR SANDS, INC.
c/o John B. Fairbanks, Jr.
3927 South 3030 East
Salt Lake City, Utah 84124

JIM
SEP 12 1984

September 7, 1984

Mr. James W. Smith
Administrator
Mineral Resource Development
and Reclamation Program

RECEIVED

SEP 11 1984

Dear Mr. Smith:

DIVISION OF OIL
GAS & MINING

RE: Your letter Dated August 2, 1984 sent to an address of our employee, which we just received a few days ago.

I am sorry that I had this fight with John Blake, and I apologized to him, though he was equally at fault. I cannot believe that this man is mature enough to handle a position of responsibility that he holds.

I think as the administrator that you should be aware that your staff has trespassed the privately held property, which is clearly marked "No Trespassing". That they have faultified to you about the activities at Whiterocks. I state further that it is clearly a vendetta that Mr. John Blake has because of the misunderstanding, and I regret his getting others to collaborate in this farce. Fortunately we have photos taken in the spring, when snow was on the ground that will prove this statement. We should like to know by what statute our own private property is under your control.

When our man went to John Blake to get the permits to work 2 acres on the Seep Ridge. Blake took him to you, and you gave him a letter, which he felt was a permit, and he brought the same to me and told me it was a permit. I felt assured that we complied with the law when we went onto the Seep Ridge property that was owned by Mountain Fuel Supplies subsidiary Cellcius. I now know that we were clearly at fault. In order that we not damage the property, we went in on a clearing, already established. There was an already existing road, which we used so as not to disturb the land. We did knock down some trees in the area, and we did destroy some brush. We did everything we were told to do, police the grounds, remove all equipment, except we did not fill in the two holes, we did not level the land, and we did not cut up the trees and remove them. None of our activities can be seen from the road.

We ran out of money, and should have more soon, but until we get more money we cannot complete the obligation to restore the land. When we do, we will restore the land to what it was when we went in on it.

It seems that Mr. Blake is trying to make us restore the whole clearing and road, as well as replant. The oil seeps out of the soil, how should we go about planting seeds in the oil?

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Wasatch Tar Sands

Wasatch Tar Sands, Inc

Mr. James Smith Cont.

This spring I received a phone call from Mr. Blake, telling us we had worked Seep Ridge without a permit. The more I assured him that if we had made a mistake we would fix it, the madder and more hostile he became. Frankly I was appalled that a public servant would talk to someone that way. I checked to be sure we were right, and when I found we had what we thought was a permit I called John Blake back, and I let him have it. Later I called and apologized.

He called a few days later and said they were going out to the ridge and they would assess the damage. I told him I had a meeting that morning and could not make it, but would be glad to go at another date. His reply is well that is impossible, we're going, and you'd better be there.

I changed my plans, and took two of my men and we went to the Ridge. The river was over the road, so we had to go around by way of Bonanza, which we did, and we arrived at 1:40. The appointed time being 2:00. Blake didn't bother to show up. We waited 2½ hours, he still did not show. Three men took twelve hours each, and drove 600 miles, but Blake didn't show. He called the next day to tell us that the flood had stopped him, and that he called an independant firm to go out and assess the damage. We were not given the courtesey of doing anything to show our position.

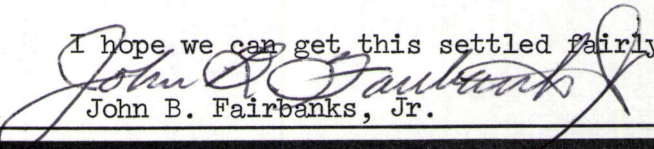
We had told Mountain Fuel, that we had a permit, so they went about getting us a contract. In the meantime, we went out on the Ridge and went to work. We had not told Mountain Fuel that we were going out there then. We were surprised to find that the contract called for us to post a \$200,000.00 bond. The only way we could get a bond was to post the cash. We were not incorporated for \$80,000. We had used up our money, but we did prove what we set out to do. We produced oil out of the tar sands both above and below the ground.

Mountain Fuel has called me to tell me that Mr. Blake has told them that unless the restoration is done in thirty days, they will loose their lease. He wrote me a letter on the 1st of July supposedly, registered, that told me I had until the first of August to restore the property. I received the letter on Saturday, the 21st of July Sunday was the 22, Monday was the 23rd Tuesday was the 24th, a Holiday. This allowed my three working days to restore the property. I think he needs to try to work with people not destroy them.

We will restore the property as soon as we get the money.

If Mountain Fuel looses their property when they knew nothing of our being out there, then I shall Sue Mr. Blake, not the State, but him personally, and I have assured Mountain that I will witness for them as well. What they will do I do not know. Now this Whiterocks shows he is harassing us.

I hope we can get this settled fairly


John B. Fairbanks, Jr.

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Wasatch Tar Sands

cc: Scott M. Matheson

Temple A. Reynolds

Dianne R. Neilson

✓ Mountain Fuel Supply (Clyde Heiner)

✓ Cellcius (Jack Healey)

Wayne Owens

Norm Bangeter

KSL

KTVX

KCPX

Deseret News

Salt Lake Tribune

✓ John Blake

It will be titled "Little Wonder Little Business Can't Make It
With the Bureaucracy"

So far I am sending you and Blake and Mountain Fuel Supply also Cellcius a copy of this letter, I can assure you that the others will receive the same letter later. I do wish to give you people a chance to know what is going to happen unless you give us more room.

I also intend to mention the deposit of oil and drums at the freeway and Beck street in which the University, State of Utah, and Endicor are invloved, it needs cleaning badly.

What about U-Tar at P. R. Springs. The scar at Vernal by the County. I think there is plenty for you to do.